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C.I.A. Expects a Rise in Soviet Military Outlays

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WASHINGTON, June 29—The Soviet Union's military spending in the first years of the next decade is expected by the Central Intelligence Agency to increase by 4 to 5 percent annually, continuing the present trend.

The United States has pledged a 3 percent increase in military spending to allies in the North Atlantic Treaty Organization.

The Russians in the early 1980's will begin testing and deploying a number of new weapons systems now under development according to a research paper of the C.I.A. These include the next generation of strategic missiles, planes, including a long-range bombers, and submarines.

The agency's judgment is that, "while the Soviet leaders are clearly concerned about present and impending economic problems, there is no indication that they are contemplating major changes in defense policy."

No Heir Apparent Identified

Although the paper assumes that within the next five years several of the Soviet leaders, including presumably Leonid I. Brezhnev, "will almost certainly pass from the scene," it identifies no heir-apparent and believes that abrupt changes in military spending are unlikely.

The Soviet political institutions and leaders who support defense programs, such as the military and the managers of military industries and Communist Party and government leaders whose constituents depend on military production, are likely to retain their influence on the military program.

The agency's estimate show that Soviet military spending properly increased from the 35 to 40 billion ruble range in 1967 to the 53 to 58 billion ruble range in 1977, measured in 1970 prices. A ruble is \$1.60 at the official rate of exchange.

Under a broader definition, including expenditures for internal security forces, civil defense, military stockpiling, foreign military assistance and space programs,

defense spending grew from the 40 to 45-billion ruble range in 1967 to the 58 to 63 billion range in 1977.

According to the narrowed definition, military spending amounted to 11-12 percent of gross national product. The United States figure for 1977 was 6 percent. Some experts on the Soviet military, among them Prof. Richard Pipes of Harvard, believe that the Soviet figure is closer to 15 percent.

The C.I.A. notes that, during this 10-year period, Soviet spending for investment accounted for 26 percent of G.N.P. and spending for health and education for 6 to 7 percent.

Research Outlays Estimated

To the United States and its allies, the most alarming figure in the agency's estimates would appear to be those for research, development, testing and evaluation of new weapons and equipment.

The agency concedes that it "cannot speak with confidence" in this field, but

says the information is based on published Soviet statistics and government statements on the financing of research and evidence on particular projects. These suggest that outlays for research and development account for almost one quarter of the total military spending.

The projected United States figure of \$12.5 billion for those programs in fiscal year 1979 is well below one-quarter of the United States military budget.

A major difference in American and Soviet military outlays is in personnel costs. The Soviet ground forces increased between 1967 and 1977 from 1.2 million to 1.7 million. During this period, spending for personnel was 16 percent of total spending compared with 56 percent in the United States.

Soviet spending for strategic missiles and bombers took a little over 10 percent of total spending for forces subject to the second strategic arms limitation treaty now being negotiated.

"For the next two or three years, Soviet defense spending will continue to grow," the agency said, "conclusion of a SALT II agreement along the lines currently being discussed would not, in itself, slow the growth of Soviet defense spending significantly."

Concern in the Atlantic alliance over a threat in Central Europe is supported by C.I.A. figures on outlays for Soviet forces in East Germany, Poland and Czechoslovakia. These forces include not only the army, but tactical aviation.

The C.I.A. said that the expansion and modernization of tactical aviation and the modernization of the ground forces provided Soviet forces in Central Europe "with a better capability to wage both conventional and theater nuclear war."

The Soviet buildup along the Chinese frontier occurred during the same period. It accounted for a little over 10 percent of total military spending, with the Russians doubling the number of divisions and increasing the number of tactical aircraft five-fold.